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*U.S. Rural electrification administration
Finance Division*

To : Regional Heads, Finance Division
Assistant Regional Heads
Audit Report Analysts
Field Auditors

From : Jos. F. Marion, Chief, Finance Division

Subject: Need for Improvement in the Composition of Auditors' Comments

"NOTHING IS MORE PATHETIC THAN THE INABILITY OF AN OTHERWISE COMPETENT AND INTELLIGENT PERSON TO EXPRESS HIMSELF CLEARLY AND FORCIBLY, ORALLY OR IN WRITING.

This quotation from Willard J. Graham of the University of Chicago was used by H. C. Hasbrouck in the introduction of his article in the February, 1947 issue of The Journal of Accountancy on errors commonly made by accountants in the use of English. Mr. Hasbrouck's article focuses attention on a matter that is of particular concern to this office--the inadequacy of expression which has become typical of many reports submitted by our field auditors.

An audit report could easily contain a great amount of priceless information for administrative and other purposes, but if it should be poorly worded, reflect errors in spelling, or contain any errors in English usage, its value as a convincing medium would drop perceptibly. This particular phase of the situation has been stressed in various articles published by the American Institute of Accountants and others, as it is realized that poorly constructed English certainly does not add to the dignity of the accounting profession, but, on the contrary detracts from it seriously.

Good English usage is vital to the profession because accounting requires an unusual regard for accuracy as to factual data and for clearness and brevity. These elements are of such paramount importance that any impairment due to defective presentation cannot be justified.

For an auditor to write incorrectly or without meaning is to waste valuable audit time and to cause a similar waste of time and effort in the regional office in the revision of the auditor's report. We request that all members of our field staff study carefully the attached summary, which covers both Mr. Hasbrouck's article and the results of a review of recent audit comments, and act immediately to improve the quality of the reports submitted.

Item 10 of the standard Report of Efficiency Rating reads: "Effectiveness in presenting ideas or facts." It is our definite desire to have each of our field auditors receive a rating of very good or excellent with reference to this item; and we believe that with the aid of the attached treatise our staff can assure fulfillment of this wish.

Attachment

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NEED FOR IMPROVEMENT IN THE COMPOSITION OF AUDITORS' COMMENTSPoor Choice of Words

A poor choice of words can serve to nullify correct syntax and punctuation and make your writing not merely meaningless but even ridiculous. In the following examples from actual audit comments, the words used incorrectly are underlined. Words which might properly have been chosen are shown in parentheses.

1. The manager is a tenacious (persevering) worker.
2. It was suggested that the responsibility for maintaining the required file be designated (delegated) to one employee.
3. ...sight (cite) an example...
4. His cooperation to (with) the auditor was appreciated.
5. The cooperation extended and the moral (morale) exhibited was (were) very commendable and the manager expressed his self satisfaction (satisfaction) of (with) all the project's (cooperative's) functions.
6. The vice-president now lives in a community which is considerably out of (outside) the boundary lines of the cooperative and is being kept on at the request of the acting manager, which appears to have the factitious (practical) effect of the latter's now being both acting manager and board president; this puts the board in a credulous (an embarrassing) position.
7. The bookkeeper is versatile with (versed in) the duties of his position.
8. Much (Many) of the manager's good intentions have the effect of being pestiferous (annoying) and deter (interfere with) an already thwarted and perplexed situation (confused staff).
9. An inventory of poles was made (taken) for several facetious (specious) reasons.
10. Her attitude toward the manager's supervision is one of indignance (indignation).
11. ...respectively (respectfully) submitted...
12. ...maintains the records in nice (good) order...
13. ...verbal (oral) instructions...
14. We emphasized the importance of recording all costs to (on) the books.
15. I devoted considerable time in (to) analyzing the work in progress accounts.

16. To (Too) much cannot be said of the importance of good maps.
17. The accounts payable are comprised of (comprise) the following obligations:
18. Complete accounting is needed in cases where (wherein) sales of material are involved.

It is apparent from the foregoing that some of our auditors attempt to use words the meaning of which is not clear to them. There are two cardinal rules to follow in making sure that your writing will never furnish examples for such a list. They are:

1. Use the simplest word which will serve to express your meaning.
2. Use the dictionary.

Incorrect Spelling

Our review of audit comments disclosed the following spelling errors recurring frequently:

1. procedure for procedure
2. probably for probably
3. discrepency for discrepancy
4. can not for cannot
5. refering for referring
6. desireable for desirable
7. desposition for disposition
8. imperitive for imperative
9. confidant for confident
10. accured for accrued
11. uncollectable for uncollectible
12. reimbursible for reimbursable

If your ability to spell is not trustworthy, do not put your trust in it; use the dictionary.

Ambiguity

Ambiguous or equivocal sentences are of doubtful meaning and some are capable of being understood in a sense opposed to the writer's intention. The following are from audit comments:

1. It was the desire of the manager that no monthly entries be made to the individual accounts to eliminate as much detail as possible.
2. The remaining balance is for the undistributed amount of labor by the construction company which was still in progress at the end of the month.

In the first sentence a comma is needed after the word "accounts," and in the second, it is not clear whether "was still in progress" refers to the labor or to the company.

Dangling Participles

Auditors should make sure that the phrase with which a sentence is begun is followed by the noun or pronoun which it is intended to modify; otherwise, the phrase will "dangle" and the sentence lose its meaning, as in the following:

1. Questioning the manager, he admitted no record was made.
2. Failing to approve any overtime for the bookkeeper, the records have been carelessly kept.

Improper Terminology

It is observed that habit is strong among accountants, causing them to use terms which are no longer applicable. Audit comments reveal the following examples:

1. "system" for "cooperative" or "borrower"
2. "Special Construction Fund" for "REA Construction Fund"
3. "clearing accounts" for "work in progress accounts"
4. "advance payments" for "unapplied payments"
5. "recorded on the books of REA and RFC" for "recorded on the books of REA"

Inconsistency of Number as Between Subject and Verb

One of the most common errors noted is that of a plural verb employed with a singular subject, or vice versa, as follows:

1. Depreciation on all plant accounts are now calculated from the date of energization or acquisition.
2. The general condition of the books and records are fair.

Errors of this nature frequently make necessary the retyping of a whole page and are to be avoided by means of constant watchfulness when writing.

Confusion of Words and Phrases

Some pairs of words and phrases are particularly subject to confusion by the writer unless he takes pains to understand their differences. Audit comments submitted indicate considerable difficulty on the part of auditors in distinguishing between:

1. affect and effect
2. infer and imply
3. due to and because of

"Affect" means to do something to, as: "This regulation will affect you..."; "effect," as a verb, means to bring something about, as: "I shall effect your transfer immediately." Incidentally, "effect" is greatly overworked and it is suggested that other action words be substituted for it frequently.

"Infer" means to draw a conclusion from, as: "I infer from your remarks that you are not in agreement with my opinion..."; "imply" means to convey more than you say directly, as: "In my talk with him I shall imply that his work is unsatisfactory."

"Due" is an adjective and must modify a noun. "His absence, due to illness, was deplored..." is good English, because "due" modifies "absence," but "Due to his absence the meeting was postponed..." is not good English, because "due" does not modify "meeting."

Repetition and Omission of Relative Pronoun

In indirect sentences the writer frequently forgets that he has already introduced his indirect quotation and picks up his thought with another and entirely unnecessary (or redundant) "that." For example:

He said that, in spite of the disapproval of the board of directors and a majority of the members, that the manager insisted on retaining the merchandising business.

On the other hand, the same writer is sometimes guilty of omitting a badly needed "that," as in the following:

The manager advised this claim was paid.

Misplaced "Only"

An error in syntax which appears very often is that of the incorrect placement of "only" in the sentence. For example:

The contractor only built half of the section. (Wrong)

The contractor built only half of the section. (Right)

Tautology

In writing their comments auditors waste time by needless repetition of meanings, as in the following tautologisms:

1. repeat again
2. combine together
3. important essentials
4. two different individuals
5. above subject borrower

Stock Expressions

Many of us are apt to be handicapped by the use of stock or trite phrases, such as the following:

1. found to be in order
2. has a pleasing personality

3. is a hard worker
4. has the interest of the cooperative at heart
5. meets the public well
6. make every effort
7. is imperative that

It behooves us to be on the alert to avoid excessive use of such pet expressions and to freshen our writing by the introduction of varied phraseology.

Incorrect Punctuation

The audit comments, as submitted, reflect innumerable errors in punctuation, indicating, in many instances, extreme carelessness in preparation of the comments. This must not be allowed to continue. In seeking to improve their reports, auditors are urged to watch particularly for the following common errors:

1. Running sentences together.

Some auditors are prone to write two or more independent sentences together as though they were one, as in the following examples:

- a. Two entries were made involving construction costs, these will be commented on as follows:
- b. The auditor spot-checked several material transactions through the records and found them to be properly handled however when an actual inventory was submitted many discrepancies were noted this particularly true of poles and wire.

All that is necessary to avoid submission of such childish writing is to review what you have written and punctuate it properly.

2. Incorrect capitalization.

Our audit staff displays a strong tendency to capitalize nouns, without reason, causing much of its writing to resemble German. This offense against good English is particularly noticeable with reference to the following common nouns:

- a. cooperative
- b. board of directors
- c. manager
- d. bookkeeper
- e. president
- f. treasurer
- g. auditor

3. Omission of the semicolon before connective adverbs, including "accordingly," "also," "consequently," "furthermore," "hence," "however," "indeed," "moreover," "nevertheless," "otherwise,"

"so," "still," "then," "therefore," "thus," and "yet." (True conjunctions, such as "and," "but," "or," "though," "if," "as," and "since," do not require the semicolon.) For example:

Office control over materials has improved, however,
the bookkeeper receives little cooperation from the
field. (Wrong)

Office control over materials has improved; however,
the bookkeeper receives little cooperation from the
field. (Right)

4. Omission of hyphen from attributive adjectives.

When two or more words are used together to form an attributive (as contrasted to a predicate) adjective, they should be joined by a hyphen, as:

Attributive: REA-financed system
 five-year period
 well-liked individual

Predicate: individual is well liked

5. Omission of apostrophe from possessives preceding gerunds.

A gerund is a verbal noun usually ending in "ing." When it is used in the sense of belonging to the noun preceding it, the noun is in the possessive case and requires an apostrophe. For example:

This results from the cooperative using a percentage. (Wrong)

This results from the cooperative's using a percentage. (Right)

6. Incorrect placement of other punctuation marks with reference to quotation marks.

Webster states:

Commas and periods should be placed within the closing quotation marks; semicolons and colons, without. The interrogation point and exclamation point should be placed within the quotation marks when part of the quotation; otherwise outside.

7. Omission of comma after year in writing dates.

Webster states:

A defining place name, year, or month is set off by a comma.

This rule may be illustrated as follows:

It was on June 15, 1940 that the meeting was held. (Wrong)
It was on June 15, 1940, that the meeting was held. (Right)

It is the general opinion of successful individuals that a mastery of English expression is one of the corner-stones of success in any field of endeavor. This would seem to be especially sound reasoning with reference to auditing, wherein so much depends upon the written report. Therefore, we wish to impress upon the members of the Finance Division the importance of giving this matter continuing attention.

